Rulemaking Regarding Whether, or Subject to What Conditions, the Suspension of Direct Access May Be Lifted Consistent with Assembly Bill 1X and Decision 01-09-060.

Rulemaking 07-05-025 (Filed May 24, 2007)

COMMENTS OF THE DIVISION OF RATEPAYER ADVOCATES ON PROCEDURAL ISSUES

I. SUMMARY

The Division of Ratepayer Advocates (DRA) has no significant issues with the scope and schedule for Phase I of this proceeding as set forth in the Order Instituting Rulemaking (OIR).

II. PHASE I

DRA supports the OIR's scope of Phase I, which is limited to the issue of the Commission's legal authority to lift the suspension of direct access. The specific questions in Appendix A reasonably cover the issue and the positions of the parties to date. Phase I, as scoped by the OIR, is addressing a primarily legal issue, and DRA concurs that evidentiary hearings are not necessary for Phase I.¹

III. PHASE II AND PHASE III

DRA agrees with the categorization of Phase II and Phase III as ratemaking, and supports the OIR's deferral (to a later date to be set by subsequent order) of parties'

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Question 3(b) in Appendix A (re considerations, conditions or constraints relating to assignment of DWR contracts) may trigger some fact-based answers that could give rise to material issues of fact. Should such issues arise, they should be deferred to a later phase of the proceeding, rather than adding evidentiary hearings in Phase I.

requests for hearings in Phase II and Phase III. On a preliminary basis, it appears that evidentiary hearings will be necessary in Phase II and Phase III, but DRA will address that issue more specifically at the appropriate point in the proceeding.

DRA supports the OIR's plan to refine the scope and establish the schedule for Phase II subsequent to a decision in Phase I, and similarly refining the scope and setting the schedule for Phase III subsequent to a decision in Phase II. The Commission's decision in Phase I may narrow the scope of Phase II and III, or may even eliminate the later phases entirely.

IV. CONCLUSION

DRA does not have any recommendations for changes to the scope and schedule of Phase I. DRA supports the OIR's deferral of establishment of the scope and schedule for Phase II and Phase III to a date after the completion of Phase I.

Respectfully submitted,

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June 29, 2007

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of "COMMENTS OF THE DIVISION OF RATEPAYER ADVOCATES ON PROCEDURAL ISSUES" in R.07-05-025 by using the following service:

[x] E-Mail Service: sending the entire document as an attachment to all known parties of record who provided electronic mail addresses.

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Executed on June 29, 2007 at San Francisco, California.

HALINA MARCINKOWSKI

NOTICE

Halina Marcinkowski

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